



City Councilmember
Carl DeMaio



Council President Pro Tem
Kevin Faulconer

News Release

DeMaio, Faulconer and Business Owners Declare Managed Competition Deal Is “Unfair” and “Unworkable”

*City Leaders and Unions Set to Approve Deal that Effectively Kills
the Voter-Mandated Fair and Open Competition Program*

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SAN DIEGO – Councilmember Carl DeMaio joined a national expert on managed competition and several local small business owners to outline numerous flaws in the proposed City Managed Competition Guide.

“The unions do not want to give up their monopolies at City Hall and this so-called deal guarantees that. This proposed guide provides for a rigged system designed to favor and protect the city’s labor unions,” commented Councilmember Carl DeMaio.

“This deal is managed competition in name only and offers a convoluted process that fails to protect taxpayers,” said Council President Pro Tem Kevin Faulconer, who was unable to attend today’s news conference because of a prior commitment

DeMaio and Faulconer have been the City Council’s strongest supporters of Managed Competition over the years.

“This deal may be politically expedient, but it leaves the City of San Diego with a flawed managed competition program that is unfair and unworkable,” noted Adrian Moore, Vice President of the Reason Foundation which has conducted numerous studies on managed competition programs across the country.

“This guide stacks the deck against my members’ bids from the start by distorting the real costs of pensions and retiree healthcare costs in the labor unions’ bid, adding a ton of bureaucratic requirements, and then saying they still have to beat the city’s distorted bid by more than 10%” noted Scott Crosby, President of the Association of Builders and Contractors. “I urge the City Council to actually pursue a guide that promotes fair and open competition which, unfortunately the currently proposal fails to do.”

“Voters expect fair and open competitive bidding for city services with the goal of achieving concrete taxpayer savings – and I call on the Mayor and City Council to give the voters exactly that,” concluded DeMaio.

“I voted to support a fair managed competition guide last year. But this version is watered down and hinders true competition,” Faulconer said.